

FORM NLRB-5168
(2-08)

1 City of New York

Case No. 2-CA-39988
2-CA-40056

4 County of New York

6 **Confidential Witness Affidavit**

8 I, Joanna Fan, being first duly sworn upon my oath, hereby state
9 as follows:

11 I have been given assurances by an agent of the National Labor
12 Relations Board that this Confidential Witness Affidavit will be
13 considered a confidential law enforcement record by the Board and
14 will not be disclosed unless it becomes necessary to produce the
15 Confidential Witness Affidavit in connection with a formal
16 proceeding.¹

18 My business address is 25 Market Street, New York, NY 10002.
19 My direct business telephone number is 212-577-2088.

21 1. I have been sole shareholder, officer and director of
22 Preschool of America, Inc. (POA) since it opened in 2004. There
23 are currently 12 locations of POA which serve about 800 children.
24 Underneath me, POA has two managing directors, Mego Gojka (Mego)
25 and Jill Howard (Jill). I created the managing director position
26 around June 2009, and prior to that, the site directors reported
27 directly to me. The managing directors work out of POA
28 headquarters at 345 42nd Street, are responsible to supervise the
29 individual directors at each POA location, called site directors,
30 and to deal with any issues that are brought to their attention
31 by parents of our students, the site directors or the employees

¹ **PRIVACY ACT STATEMENT**

Solicitation of the information on this form is authorized by the National Labor Relations Act (NLRA), 29 U.S.C. § 151 et seq. The principal use of the information is to assist the National Labor Relations Board (NLRB) in processing representation and/or unfair labor practice proceedings and related proceedings or litigation. The routine uses for the information are fully set forth in the Federal Register, 71 Fed. Reg. 74942-43 (Dec. 13, 2006). The NLRB will further explain these uses upon request. Disclosure of this information to the NLRB is voluntary. However, failure to supply the information may cause the NLRB to refuse to process any further an unfair labor practice or

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1 at each site. Mego and Jill are not assigned by me to perform
2 their duties at specified sites, but divide the work that comes
3 into the main office amongst themselves. Underneath Mego and
4 Jill, there are the site directors, and each site has 1 ²⁹/₂ site
5 directors. ²⁴ Each individual location also has a bookkeeper,
6 assistant teachers, teachers and a cook. The bookkeeper is
7 responsible to do the payroll for the employees at their assigned
8 site. The time keeping system for all site employees is an
9 electronic swipe system, where each employee has an individual
10 number they enter to clock in and out. The bookkeeper is
11 responsible to take attendance each day by recording who reports
12 late to work and who is absent from work. I am not sure how
13 exactly each bookkeeper keeps the employees' hours. Their hours
14 may be calculated based on the bookkeeper's records, or based on
15 the computer printout from the time clock machine. Then, the
16 bookkeeper will submit the employees' hours to Michelle Zheng
17 (Zheng), payroll. Zheng submits the payroll for all facilities
18 to our bank, and then she tells the bank to make the direct
19 deposits for the employees. In addition to submitting site
20 payroll to Zheng, and recording time and attendance, each site
21 bookkeeper is responsible to give out supplies to teachers and
22 assistant teachers at the site, as needed, and to receive supply
23 orders from employees and submit that to Francis Wang (Wang).
24 All supply orders are approved and ordered by Wang POA-wide, and
25 she decides what she will order from the supply requests
26 submitted by the bookkeeper. The bookkeeper is also responsible

representation case, or may cause the NLRB to issue you a subpoena and



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1 to receive tuition checks and to submit them to our accounting
2 office, Zheng and Jenny Yuen (Yuen). Time off requests are made
3 by site employees directly to their site director, not to the
4 bookkeeper. All requests for time off are received and approved
5 by the site director, not by the bookkeeper. If an employee
6 needs to call in sick, the employee would call her site director.

7 2. There is a POA site located at 101 West End (WE). The
8 WE site opened in 2004. From January 1, 2007 until June 2009,
9 Mego was the site director at WE. From around June 2009 until
10 around June 4, 2010, Catherine Madaio was the site director at
11 WE. From about June 7, 2010 to the present, Robin Mauro (Robin)
12 was the site director at WE. Kathy Huang (Kathy) has been the
13 bookkeeper at WE since around June 2009. The WE facility is
14 situated on two floors of a building; the bottom floor contains
15 one office, where Kathy and Robin work and one stroller room.
16 The second floor of the WE facility has about eleven classrooms,
17 a tv room, a gym, and a kitchen. There were about eleven full-
18 time teachers and eleven full-time teacher's assistants. There
19 were also floaters, but I do not know how many there were.

20 3. There is also a POA site located at 1501 Lexington
21 Avenue (LEX). The LEX site opened in 2006. From October 2009
22 until around June 2010, the site director was Lisa Terlizzi.
23 From around June 2010 until around September 9, 2010, the site
24 director was Gail Wells. From around August 23, 2010 to the
25 present, the site director has been Gina Well. Kelly Li has been
26 the bookkeeper at LEX since sometime in 2009. The LEX facility

seek enforcement of the subpoena in federal court.



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1 is located on one floor, with ^{six} ~~five~~ classrooms, one office where
2 Kelly and the site director worked, a gym, and a kitchen. There
3 were about six full time teachers and six full time teacher's
4 assistants. The LEX facility also staffs floating teacher's
5 assistants, but I do not know how many.

6 4. Prior to the summer of 2010, in a one year period, I
7 was at WE and LEX on approximately two occasions. Since the
8 creation of the managing director position around June 2009, I
9 have had very little contact with site directors. I have varying
10 levels of communication with site directors, from site to site.
11 But usually, I am kept up on what is going on at each site by the
12 managing directors.

13 5. All POA schools have given employees employment
14 contracts in each year that are effective from September of any
15 given year through August of the following year. Employment
16 contracts are signed in August of each year, but I am not
17 involved in the process of giving the employees their employment
18 contract or having them sign their employment contracts. An
19 employee's wage rate is determined by a chart, which was created
20 by me and updated by me, which determines an employee's wage rate
21 based on degree, experience and credentials. I am not involved
22 in determining the individual wage rates for each employment
23 contract, the site director and the managing director do that
24 from my wage rate charge which each school has a copy of. If a
25 teacher or assistant teacher is hired mid-contract term, the
26 teacher or assistant teacher will not sign an employment contract
27 until the August contracts are signed. The site directors are

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1 responsible to review an employee's work for any given contract
2 year and determine whether to renew an employee's employment
3 contract for the following year. I am not usually directly
4 involved in that process, I do not train the site directors how
5 to conduct the yearly review process, I do not determine the
6 criteria through which the employees will be evaluated, and each
7 site has their own process. There is a site director's handbook
8 that informs the site directors that they need to perform yearly
9 employee reviews, and, except for the sit directors' handbook,
10 there is no process or criteria set out for them to perform those
11 reviews. I do not review employee personnel files, and I do not
12 have to approve the site director's determinations of which
13 employees should be let go and which employees should receive new
14 employment contracts. I do not tell the site directors when to
15 perform their reviews, although they should be doing the reviews
16 between June and August of each year. I was not involved in the
17 yearly teacher and assistant teacher evaluations at WE or at LEX
18 in the year 2009, nor was I involved in the yearly teacher and
19 assistant teacher evaluations at WE or at LEX in the year 2010.
20 I know that Gail was not involved in the yearly review process at
21 LEX for the year 2010, but I do not know whether the yearly
22 individual teacher and assistant teacher reviews were done by
23 Gina or based on information left by Lisa prior to her departure.
24 Unless contacted by a director, I am usually unaware about the
25 individual employee's performance because I have not personally
26 reviewed their attendance records, ~~am not informed of discipline,~~
27 and have not seen them in their classrooms. I do not recall how

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1 many contracts were not renewed for the 2009-2010 school year
2 either facility-wide or at LEX and WE specifically.

3 6. I do not hire employees or fire employees, so I do not
4 know what they are told when they are hired about their
5 expectation of continued employment. Usually, neither the site
6 directors, nor the managing directors report to me who they hire
7 and fire. However, the new directors of WE, LEX and Times Square
8 did communicate with me regarding the non-renewal of contracts in
9 August and September 2010.

10 7. On or around the week of June 7, 2010, the first week
11 that Robin started at WE, she called me and I called her a few
12 times to see how she was doing. I do not recall how many
13 conversations we had that week, but we had several. During these
14 conversations, Robin reported some problems that she had run into
15 with the employees. Robin told me that she was reviewing each
16 teacher and assistant teacher's personnel file and that she had
17 noticed that Anesia Lloyd, WE assistant teacher, did not have the
18 continuing education to work as an assistant teacher, as required
19 by the health code. In addition, Robin reported to me that she
20 thought that Catherine Duran, WE assistant teacher, provided the
21 school with a fake diploma. Further, Robin reported to me that
22 she thought a lot of the teachers did not have a good work ethic,
23 and specifically, Samantha Giordana-Grerena was absent a lot.
24 Robin said that she did not want about 10 to 12 staff members to
25 continue to work at POA, but that they all had employment
26 contracts that ran through August 2010, so she would have to wait
27 for the contracts to expire in August. Robin told me that she

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1 had also reported these issues to Jill Howard. Robin said that
2 Rena Goldstein, WE head teacher, was unable to handle her
3 classroom, and that she would like to find someone else for her
4 position as well. Robin said that every day, Wendy Puello came
5 to work on time, but that very often, Wendy would leave her
6 assigned classroom to spend time in her son's classroom, which
7 was not her assigned classroom. Further, Robin told me that
8 Wendy would leave school on time, but that she would leave her
9 assigned classroom well before her scheduled time and get her son
10 ready to leave. Robin also reported problems with another seven
11 or so employees, but I do not recall which ones. I did not
12 advise Robin on what to do with these employees, I just listened
13 to the problems. Jill Howard spent Robin's first week, the week
14 of June 7th at WE, getting Robin situated in her new position.
15 Prior to Robin's hire, I told Robin that she was being hired, in
16 part, to correct the problems that had developed as a result of
17 mismanagement of the WE site by Catherine and excessive
18 latenesses, absences and underperformance of staff members.

19 8. Around June 16, 2010, two men came to my office on
20 Market Street. They identified themselves as representatives as
21 DC1707 (Union). They gave me their business cards, one was
22 Julian deJesus, and I do not recall the other man's name. The
23 other Union representatives whose name is unknown to me said that
24 the Union represented the WE staff because they got 24 signatures
25 of employees. He gave me a memorandum of understanding. This
26 document is attached hereto as Exhibit A. I asked them what I
27 should do. He said that their office would contact me and that I



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1 should hire a lawyer. The conversation lasted about 5 minutes.
2 After the Union representatives left, I called Jill Howard. I
3 told her that I received notice from the Union that the WE staff
4 wanted to form a Union. I asked her if she was aware of that or
5 not. Jill said that Catherine Madaio started this, that it must
6 be her. I asked her how she knew that. Jill said that in the
7 director's meeting in April, Catherine Madaio suggested that all
8 of their directors should form a Union and put up a rat in front
9 of all of POA's schools. I hung up with Jill and called Kathy
10 Huang (Kathy) at WE, and told her that I got notice from the
11 Union that they had 24 signatures of the WE employees. I told
12 her that Jill told me that Catherine had started this petition.
13 I asked her if she heard anything about this. Kathy said yes,
14 she had seen Catherine talk to other employees while Catherine
15 was still the site director at WE, in the office around April
16 2010. Kathy said that Catherine sent her a link via e-mail about
17 a strike. I did not see this e-mail until around September 14,
18 2010 when Kathy forwarded this e-mail to me. Kathy told me that
19 Catherine told her that she used to work in Bright Horizon Day
20 Care Center, that Catherine had experience with the unions and
21 knows how to form them. I hung up the phone with Kathy.

22 9. On or around the following day, June 17, 2010, Jill
23 called me and said that she searched the internet regarding
24 unions. Jill said that if a manager organizes a union, it is a
25 violation and the case will be dismissed. Jill told me not to
26 worry.

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1 10. On or around the following day, June 18, 2010, Kathy
2 called me again and told me that she chatted with about six of
3 the staff and no one knows anything about a union. Kathy said
4 that this idea came from Catherine, Catherine always wanted to
5 create a union in POA schools. I asked Kathy what Catherine's
6 intention was. Kathy said that Catherine had an issue with the
7 staff because they were upset that we eliminated the spring and
8 winter breaks, that if POA had a union then Catherine would not
9 have to deal with the staff, the union would deal with them, and
10 that if POA had a union, then the employees would be paid more
11 and have less hours. Kathy asked if I remembered the last time,
12 in early May 2010, when Catherine sent me a letter asking for the
13 spring and winter breaks to be reinstated. I said that I did.
14 Kathy said that this letter was orchestrated by Catherine, and
15 typed by one of the staff. I have attached a copy of this
16 document hereto as Exhibit B.

17 11. I thought that out of 27 WE employees, if the union
18 had 24 signatures, and six staff members were not aware of
19 anything about a union, then how could the union have 24
20 signatures. I thought that Catherine was forging the signatures
21 because she was fired from WE. I do not recall whether or not
22 the petition was filed for the employees at WE by this time.

23 12. On or around June 19, 2010, I typed up a statement,
24 dated June 21, 2010, for employees that says that they did not
25 sign anything ^{about 18} ~~to support~~ DC 1701. A sample of this statement is
26 attached hereto as Exhibit C. I wanted to discover whether or

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1 not the employees had actually signed for a union or whether
2 Catherine had forged their signatures.

3 13. On June 21, 2010, I went to the WE facility, and
4 printed out copies of the statement attached hereto as Exhibit C.
5 When I arrived at the WE facility that day, Hope Dublin (Hope),
6 assistant teacher, was in the office with Kathy and Robin. I
7 asked Hope how things were going with the new director. She said
8 good. I told her that the calendar had changed, meaning that
9 there would be no more winter and spring breaks but that they
10 would receive those days as vacation days to take whenever they
11 wanted. Hope said that she knew this and understood the change.
12 Then I told Hope that the Union told me that they had received
13 signatures of 24 employees who wanted to join the Union. Hope
14 said that she didn't know anything about this. I said that I
15 suspected that those signatures were forged. Hope asked me if I
16 really thought that. I asked her if she knew anything. Hope
17 said no, she did not. I gave her the form attached as Exhibit C,
18 and she signed it right there and handed it back to me. Then I
19 went upstairs to tv room and asked Kathy to go around covering
20 classrooms and sending staff into the tv room to meet with me.
21 For about fifteen minutes in the morning, I met with about
22 sixteen staff members, individually, in the tv room. With each
23 teacher, I would ask them how they liked Robin, the new director,
24 and explain the spring and winter break change to our vacation
25 policy, and then I would tell them that I received notice from DC
26 1707 that they got 24 signatures from our staff at WE. I would
27 say that I suspect those signatures are forged. I would ask if

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1 they were aware of anything like that. Everyone said no that
2 they did not know anything about it. All but three of the staff
3 signed. One of the three of them, Antonette Monroe, assistant
4 teacher, left a signed form the next day with Kathy. After I had
5 received 13 signed forms, and 13 staff members told me they
6 didn't know anything I gave Kathy blank copies and told her to
7 talk to the rest of the staff and have them sign the forms.

8 14. The next day, around June 22, 2010, Kathy faxed me
9 about eight more signed forms. Later on June 22, 2010, I
10 received the original charge in case No. 2-CA-39988.

11 15. On or around July 15, 2010, a hearing was held at
12 Region 2 regarding whether or not the head teachers were
13 supervisors. The head teachers are supervisors, it says that
14 they are in the health code. I did not testify at the hearing.
15 For POA, Robin and Jill, and they testified that the teachers
16 were supervisors. For the Union, WE employees, Samantha, Wendy
17 and Jenny Vasquez, head teacher, testified.

18 16. I have been shown a copy of an internet article dated
19 February 25, 2005 and titled "The struggle for DC 1707" by the
20 Board Agent. I have seen this article before when I found it on
21 the internet looking for information regarding the Union. I
22 believe that I found the article on or around the date shown on
23 the bottom right hand of the article, July 18, 2010. I made
24 handwritten notes on the sides of the article, and all of the
25 marks on this document, including the handwritten notes,
26 underlining and starring was done by me. Around July 18, 2010, I
27 scanned in the article with my notes and writing on it and



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1 attached it to an e-mail to Robin, and to Gina or Kelly with the
2 instruction to put in the mailboxes of all of the staff at the WE
3 and the LEX facilities. A copy of this article with my
4 handwritten notes on it is attached hereto as Exhibit D.

5 17. I have been shown a copy of a document titled
6 "Questions and Answers About the Union" by the Board Agent. I
7 recognize this document as one that was distributed to the WE and
8 LEX employees, either physically or in their mailboxes sometime
9 during July 2010. The document was emailed to myself, Robin,
10 Gail and Kelly from our attorney. A copy of this document is
11 attached hereto as Exhibit E. Both Robin at WE and either Gail
12 or Kelly at LEX, told me that they distributed this document to
13 the employees.

14 18. I have been shown a copy of a document titled "A Lot
15 To Lose" by the Board Agent. I recognize this document as one
16 that was distributed to the WE and LEX employees, either
17 physically or in their mailboxes sometime during July 2010. The
18 document was emailed to myself, Robin, Gail and Kelly from our
19 attorney. A copy of this document is attached hereto as Exhibit
20 F. Both Robin at WE and either Gail or Kelly at LEX, told me
21 that they distributed this document to the employees.

22 19. I have been shown a copy of a flyer about Union dues
23 by the Board Agent. I prepared this document and distributed it
24 to assistant teachers at WE in a meeting that I held at WE
25 facility on July 30, 2010. I also distributed this document to
26 assistant teachers at LEX in a meeting that I held on or around



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1 August 5, 2010. A copy of this document is attached hereto as
2 Exhibit G.

3 20. I have been shown a copy of a flyer titled "Union vs
4 Non Union" by the Board Agent. I have seen this document before,
5 and I know that it was distributed to the staff and WE and LEX
6 during the month of July 2010. The document was emailed to
7 myself, Robin, Gail and Kelly from our attorney. A copy of this
8 document is attached hereto as Exhibit H. Both Robin at WE and
9 either Gail or Kelly at LEX, told me that they distributed this
10 document to the employees. I also distributed the document to
11 assistant teachers at WE in a meeting that I held at WE facility
12 on July 30, 2010. I also distributed this document to assistant
13 teachers at LEX in a meeting that I held on or around August 5,
14 2010.

15 21. On or around July 30, 2010, around 1 p.m., I held a
16 meeting in the gym at WE for all of the WE assistant teachers.
17 It was just myself and about twelve assistant teachers. I
18 believe that almost all of the assistant teachers were present,
19 but I do not recall their names. I had received a list of
20 questions from Mego and Jill that employees had from a meeting
21 with Mego and Jill on or around July 27, 2010, that Mego and Jill
22 were not sure how to answer. At my meeting, I read to the
23 employees from a document that is attached hereto as Exhibit I.
24 I also told them that I had three children living in Staten
25 Island, that I came to America with 40\$ in my pocket and got my
26 masters at NYU. I said that I worked very hard to provide a nice
27 facility and good job opportunities. I asked them if they liked

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1 their new director, Robin, and if they had any issues. They
2 responded that Robin was very strict. They were asking me what
3 the new class assignments would be for September 2010. I told
4 them that I did not know, but that Robin would let them know in
5 two weeks. They talked about issues with Robin a lot, about how
6 strict she was being on them. I recall telling them that they
7 could only talk to the Union representative, who sat in the park
8 across the street all day, during their lunch breaks, but not
9 while they were working because they should focus on their
10 children. I also encouraged the teachers to go to continuing
11 education because the health code standards continue to get more
12 and more strict. They asked me what their raise would be in the
13 next contract. I told them that it depended on whether or not
14 there was a Union when it was time for new contracts because I
15 would not know what the raises would be if the Union won the
16 election. That is all that I recall from the meeting. The
17 meeting lasted about an hour.

18 22. Before July 30, 2010, at least one WE parent had
19 complained to me that they saw a man in the park around their
20 children while they were in the park on the south side of 64th
21 across from the WE facility. The man was the Union
22 representative. Robin had also told me that she saw them talking
23 to him while they were working when they were out in the park
24 with their children. This is why I told the assistant teachers
25 not to talk to the Union representative in the park while they
26 were working.



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1 23. An election was held from 1 p.m. to 3 p.m. on August
2 2, 2010, for the assistant teachers at WE. During these two
3 hours I was either in the office with Robin and Kathy or was
4 walking around checking the construction because we are expanding
5 into Ethan Allen store room. I left WE around 3 p.m. or 4 p.m.

6 24. I have been shown a copy of an August 3, 2010, letter
7 to the staff at WE signed by Robin. I do not recognize this
8 document; I have not seen it before. A copy of this document is
9 attached hereto as Exhibit J. I don't recall if I had any
10 conversations with Robin about staff evaluations around this
11 time.

12 25. On or around August 4 or 5, 2010, Robin called me and
13 said that she had decided not to renew several contracts. I
14 recall she said that she needed to stagger them so that the
15 children had coverage. I recall Robin saying that she would tell
16 Hope first. I do not recall which employees Robin asked me to
17 prepare letters for, but that day I printed out and signed about
18 five ~~termination~~ letters for WE employees. ^{Notified Elmer Contracts would not be} The only person that ^{renewed.}
19 I recall the printing and signing the letter for is Hope. Robin
20 told me that she was not going to give them to everyone on the
21 same day because she needed to have the new teacher's paperwork
22 in order before she told the employees. Kathy came to Market
23 Street and picked up the letters.

24 26. On or around August 5, 2010, I held two meetings at
25 LEX, one meeting began around 1 p.m. and the second began around
26 2 p.m. I held the meeting in the gym. At the 1 p.m. meeting was
27 myself, Gina, Gail, Kelly, and about six staff members. I do not



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1 know any of their names or whether they were all assistant or
2 head teachers, or mixed. I handed out the Union vs Non Union
3 flyer, attached hereto as Exhibit H, and read the 10 questions
4 and answers to them, attached hereto as Exhibit I. I asked if
5 they had any questions about the change of winter and spring
6 break. No one had any questions. I explained to them that I
7 wasn't taking away winter and spring breaks, but giving them the
8 same amount of vacation leave to use whenever they wanted. I
9 don't recall any of the staff asking any questions. This is all
10 I recall from the meeting. This meeting lasted about 30 minutes.
11 Around 2 p.m., I held the second meeting at LEX in the gym.
12 Present were myself, Gail, Gina, Kelly and about six staff
13 members. I do not know the names of the staff members or their
14 positions. I read what is attached to my affidavit as Exhibits H
15 and I to the staff at the meeting. I asked if they had any
16 questions, and no one did. That is all I recall from the
17 meeting. The meeting lasted about 30 minutes.

18 27. The Board Agent has shown me an undated document,
19 which says that it is authored by me. I recognize this document
20 and I remember writing it. I recall that I sent it to Robin, so
21 it was during the time that Robin has been the WE site director,
22 but I do not recall when. I do not know if Robin distributed
23 this document to the WE staff. A copy of this document is
24 attached hereto as Exhibit K.

25 28. I do not recall when, but I prepared the ~~termination~~
26 letters for three sites who have new site directors, including
27 WE, LEX and Times Square. I do not approve the site director's

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1 decisions, but with respect to Robin's decisions to not renew
2 each contract in August and September 2010, Robin had told me
3 that those employees had severe time and attendance problems. I
4 do not recall their names, but for each employee whom I prepared
5 a ~~termination~~ letter for, I spoke to Kathy to confirm whether or
6 not these employees had time and attendance problems. I recall
7 that Kathy confirmed that each of them did have time and
8 attendance problems.

9 29. On or around August 23, 2010, I received a copy of an
10 article from the New York Daily News about what had been going on
11 at LEX and WE. I received this article via fax from a site
12 director at Rego Park facility. A copy of this article is
13 attached hereto as Exhibit L.

14 30. When Lisa Terzelli left around June 2010, she called
15 me crying and said that LEX staff needs to be fixed, and that she
16 is quitting because she cannot deal with the staff anymore. Lisa
17 said that she and Kelly always have to cover for the teachers
18 because they don't show up. Lisa mentioned that those with the
19 most severe problems were Maggie (also known as Magaly Linares)
20 and Evelyn Aguirre. When Lisa left, I knew that we were not
21 going to renew Maggie and Evelyn's contracts, but that we would
22 not take action until August 2010 to keep continuity during the
23 school year. On or around August 23, after I had seen the
24 article, I called Kelly and asked her who Dianna DeLeon was.
25 Kelly said she's one of the baby classroom teachers. I said how
26 her performance is. Kelly said that she was not a good teacher,
27 and that she is always asking for a promotion but she does not



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1 have a bachelor's degree. Kelly told me that Dianna hasn't had a
2 valid fingerprint since September 2009, that Dianna gave the
3 office a fingerprint receipt, but never gave the fingerprint
4 result. Kelly said that they had requested through the
5 Department of Investigation in May 2010 and July 2010, but it
6 never came. I asked why we couldn't get the fingerprint and
7 Kelly said that maybe it was because Dianna had been arrested
8 before. I said that I could not keep Dianna in the school, it
9 was dangerous. Kelly said that she did not know why Dianna said
10 in the Daily News article that Dianna had a bachelor's degree,
11 when Dianna does not really have a bachelor's degree. I said
12 that if we don't have a fingerprint on file, she can't work
13 because it is required by the health code 47.19. Kelly said
14 that her attendance was not good either. The conversation ended.
15 I drafted a letter for Dianna on August 24, 2010, and e-mailed it
16 to Gina and Kelly.

17 31. On or around the week of August 16, 2010, Reina
18 Peralta resigned by telling everyone that she was leaving. As
19 far as I know, she did not submit anything in writing. On or
20 around August 25, 2010, I called Jill and told her to go to LEX
21 and give three employees' letters. Reina was given a letter
22 informing her that she resigned and that her resignation was
23 effective on a certain date. Reina was not terminated. I drafted
24 letters notifying Evelyn Aguirre and Magaly Linares that their
25 contracts would not be renewed, as per my conversation with Lisa
26 Terzelli on or around the time Lisa resigned, as I described in
27 paragraph 30.



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1 32. On or around September 3, 2010, I drafted a letter to
2 both WE and LEX and it was distributed all staff there. A copy
3 of this letter is attached hereto as Exhibit M.

4 33. On or around September 7, 2010, an election was held
5 at LEX. I was not at the LEX facility that day, but I received a
6 phone call from Gina who said that there was a rally that morning
7 at LEX. I asked Gina what they were doing. Gina said she would
8 fax to me a flyer saying that we fired teachers for their Union
9 activity. In the afternoon, after the election, I called Kelly.
10 Kelly said that she was surprised that long term employees who
11 were fired voted, teachers who had quit voted, and that some head
12 teachers had voted in the election. Kelly said that she just
13 thought it was strange and uncomfortable. I asked her who our
14 observer at the election was. Kelly said that it was Zoila De
15 Las Nueces, LEX head teacher. I said that Zoila should know
16 those people and should have said something about that. Kelly
17 said that Zoila did challenge several votes. The conversation
18 with Kelly ended. Based on the flyers handed out by the Union
19 that morning, I drafted an undated letter, distributed to the
20 parents at LEX. I do not think that this letter was distributed
21 to the staff at LEX. A copy of this letter is attached hereto as
22 Exhibit N.

23 34. Tatiana Navia is not currently employed at any POA
24 facility.

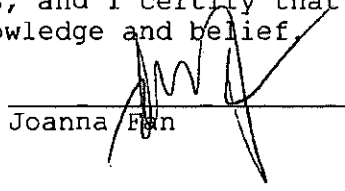
25 35. I have been shown three letters from the Union's
26 attorney, Harvey Mars, and addressed to POA's former attorney
27 Martin Gringer, dated August 9, 11 and 16, 2010. I have never

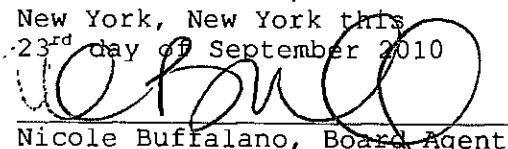
FORM NLRB-5168
(2-08)

1 seen these documents before. I have been shown one letter from
2 the Union's attorney, Harvey Mars, and addressed to POA's
3 attorney Marc Bresky. I have never seen this document before.
4 On or around late August 2010, POA was no longer represented by
5 Gringer. During the relevant time period, POA has been
6 represented by Marc Bresky as general counsel but on or around
7 late August 2010, when Gringer was no longer POA's labor
8 representative, Joe Cacciato became our attorney for the purposes
9 of collective-bargaining. I have not had any conversations with
10 any Union representatives about negotiation dates or bargaining
11 with the Union.

12 I am being provided a copy of this Confidential Witness Affidavit
13 for my review. If, after reviewing this affidavit again I
14 remember anything else that is relevant, or desire to make any
15 changes, I will immediately notify the Board agent. I understand
16 that this affidavit is a confidential law enforcement record and
17 should not be shown to any person other than my attorney or other
18 person representing me in this proceeding.
19

20 I have read this statement consisting of 20 pages, including this
21 page. I fully understand its contents, and I certify that it is
22 true and correct to the best of my knowledge and belief.
23
24

25 
Joanna Fan

26 Sworn to before me at
27 26 Federal Plaza, Room 3614
28 New York, New York this
29 23rd day of September 2010
30 

31
32 Nicole Buffalano, Board Agent,
33 National Labor Relations Board
34

24
all. County
next day. *Ok, piece
tell stuff
Jenifer*

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made this _____ day of _____, 2010 by and between The Pre-School of America ("Employer"), having a place of business at 101 West End Avenue, New York, NY 10023 and District Council 1707, AFSCME, having a place of business at 101 Avenue of the Americas, New York, NY 10013 ("the Union").

WHEREAS, the Union has evidence of support of a majority of the proposed bargaining unit employees it employs:

NOW THEREFORE,

1. The Employer recognizes the Union as the exclusive collective bargaining representative for all full and regular part-time head teachers, teachers, assistant teachers, teachers assistants (floaters) it employs. Confidential employees, guards and supervisors as defined in the National Labor Relations Act are specifically excluded from this recognition agreement.
2. The Union and Employer agree that they will engage in good faith negotiations with respect to the wages, hours and terms and conditions of employment of all teachers, assistant teachers, social service coordinators, maintenance employees and teacher aids it employs.

PRE-SCHOOL OF AMERICA

DISTRICT COUNCIL, 1707,
AFSCME, AFL-CIO

By: _____

By: _____
Raglan George, Jr.
Executive Director

WORK
CELL

201-220-3647

Julian deJesus
Staff Organizer

WE CARE. WE COUNT.

DC 1707

District Council 1707
American Federation of State,
County and Municipal
Employees, AFL-CIO
1 Hudson Square
75 Varick Street, Suite 1404
New York, NY 10013
(212) 219-0022 Ext. 5119
Fax (212) 925-0806
Cell (201) 450-8476
jdejesus@dc1707.net



Dear Joanna,

It has come to our attention that as of next year you are cutting our spring break. We the teachers of Preschool of America feels this is unfair to us, from the time Preschool Of America started we have had our winter recess and spring break and to take these days from us will be demoralizing to the staff. Year around we work hard with the kids to make sure they are well developed and their basic needs are met. These vacations days give us a fresh start to our work related days. Also most of us have young kids at home as well that take these same vacation days, and some of us take spring break as a chance to celebrate our religious back ground. And these days gives us a chance to be at home with our family while they are home on break. The parents of PSA have come to expect these vacation days when they signed their kids to this establishment. With that being said we the staff of Preschool Of America is asking for our winter and spring break to be giving back to us. Especially since everyone here has been loyal to you for a long period of time.

Thank you,

the staff

1. Hope Dublin
2. Jenni Nappi
3. Wendy Pruett
4. Tatiana Navia
5. Marisol Hernandez
6. Theresa Scott
7. Zuley Richards
8. Mel Collins
9. Juan Leon

10. Sara May
11. Anna Peterson
12. Antoinette Munroe
13. Maria Etaner
14. Linda Jones
15. Marie Estrada
16. Catherine Duan
17. Kallyssa Reyes
18. Rena Goodstein
19. Amanda Nones
20. Anna Glass
21. Rebecca Camilli



June 21, 2010

To Whom It May Concern:

My name is Mel Collins, and I am currently working at Preschool of America, 101 West End Ave, New York, NY 10023. I never heard of DC 1701, I have no intention to join the Union, if someone had put my name for this matter that was the misrepresentation.

I have not been coerced into sign this and will not be retaliated against if I choose not to sign this.

Sincerely yours,

Mel Collins



SOCIALIST WORKER.org

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International Socialist Review

Left-wing AFSCME official in NYC removed undemocratically

The struggle for DC 1707

By Lee Sustar and Shaun Harkin | February 25, 2005 | Page 11

NEW YORK—An outspoken official in the public-sector union AFSCME has been removed from office undemocratically amid a dispute over a contract ratification vote for New York City day care workers.

Brenda Stokely, president of AFSCME District Council (DC) 1707, was voted out of office by union delegates in January after DC 1707 Executive Director Raglan George alleged that she had held her office in violation of the union constitution. The removal of Stokely—who is co-chair of New York City Labor Against the War, and was an organizer for last summer's Million Worker March—follows George's decision to fire two other officials aligned with her, Gloria Jackson and Chuck Mohan.

Stokely, Jackson and Mohan had been part of a reform slate with George that won office in May 2002.

Stokely's political views—including her criticisms of the Democratic Party, speaking as a leader of the Labor Party—have long been unpopular with the AFSCME hierarchy, as is her advocacy of union democracy. Zionists within AFSCME locals have also criticized her pro-Palestinian and antiwar views.

It appears that the AFSCME leadership's longstanding hostility toward Stokely dovetailed with the opposition of her Zionist critics, as well as George's ambition to consolidate his grip on DC 1707.

At the heart of the controversy is a concessions contract for day care workers pushed by George and opposed by Stokely, Jackson and Mohan.

DC 1707, which represents 23,000 day care and home care workers at centers run by private, nonprofit agencies, is far smaller than AFSCME DC 37, which represents more than 100,000 city workers. But DC 1707 upstaged its bigger counterpart by organizing a one-day strike of day care workers in February 2003, and a three-day strike in June 2004, in the fight for a new contract.

Nevertheless, the new contract put together this month has many weaknesses. It calls for separate, but simultaneous raises totaling 12 percent effective January 1, 2005 in a 63-

Average of 2% a year
but ----

city day care workers didn't get any increase for past six years

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If you strike
we will replace
you !!!

month contract retroactive to January 1, 2001. Another 2 percent wage increase is set for April 2005—but only if the union agrees to further concessions on productivity. New hires would be paid 11 percent less than the final wage rate as of April.

how terrible for new stuff?

The contract also lacks any guarantees of retroactive pay for the period since 2001. Instead, the union is relying on Democrats in the state legislature to provide \$20 million for such pay at a later date, "a policy that's already failed twice," according to Stokely—once under former Mayor Rudolph Giuliani and again under the current mayor, Michael Bloomberg. The result, said Stokely, will be no compensation for a four-year wage freeze.

is that you are looking for?
if Mayor want to freeze a four-year wage, why Joanna should not?

Do you want our school close because of 11 percent less than the final wage rate and a four-year wage freeze?

Meanwhile, day care centers are closing because low pay means they can't retain the ratio of qualified teachers for the kids. "Our day care centers were the first to be organized in the country," Stokely told *Socialist Worker*. "This came out of the African American struggle as a demand. That's one of the reasons we are raising this up" in the union and the community.

With new union elections coming up in May, George was acting to "clear the decks" of potential rivals—and critics of the concessionary contract put before the membership, Stokely said.

your union dues will go to those people. \$500 a year from your pay check—equal 2% decrease from your salary.

To silence her, George used his powers as executive director—an administrative position in the AFSCME structure that allows officials to remain in office for years. George got the DC 1707 delegates to vote to increase his pay from \$70,000 to \$100,000—and used patronage to get the votes to remove Stokely, she said.

George claimed that Stokely is a union employee, and is therefore ineligible to hold the presidency under union rules. In fact, Stokely had been given a stipend from the union after being laid off from her job in 2003—and in any case cannot be removed without facing charges.

On February 14, Stokely, Jackson and Mohan filed a federal lawsuit to try to overturn George's actions in removing them under the Labor Management Reporting and Disclosure Act.

In a word, you have a lot to lose!!

The following day, according to Stokely, George intervened in a contract ratification meeting of AFSCME Local 205, which represents about 7,000 day care workers. Witnesses say that George took over the meeting from Local 205 President Glen Huff to call for a stand-up vote on the contract—violating union procedure that calls for a formal ballot.

Stokely and her supporters vow to continue the fight. "I am a delegate of Local 215, and I will be at the next meeting," she said.

QUESTIONS AND ANSWERS ABOUT THE UNION

In our discussions with employees about the Union election, several questions have come up that we thought we should share with everyone:

Q. I signed a card for the union. Do I have to vote for them in the election?

A. No. Even if you signed a card for the union, you have the right and the obligation to vote for what you think is in your best interests. If you do not want to pay union dues or worry about union strikes, you have the right to vote **NO for NO UNION**. Remember, this is a secret ballot election and no one will know how you voted.

Q. How much are union dues?

A. It is our understanding that union dues range from \$23.50 to \$41.20 per month. Almost all union contracts require that union dues be taken of your paycheck and sent directly to the union. Almost all union contracts require that all employees in the bargaining unit pay dues regardless of whether or not you like what has been negotiated in the contract. Right now, you do not have to pay dues to receive your current wage and benefit package which exceeds what is offered by all of our competitors.

Q. What do I get for my union dues?

A. According to the Union's most recent financial statement, it received last year \$11,651,459 in revenue. Of that amount, the Union spent **ZERO** on behalf of individual members.

Q. What did the Union do with the money?

A. Most of the money goes to pay for the Union's expenses and overhead such as the salaries of Union officials. They spent \$313,863 for political activities and lobbying and \$65,184 for contributions, gifts and grants. Their expenses included over \$5,000 for flowers, over



those who actually vote. You can be sure that the Union supporters will show up to vote. If you don't vote, that would mean the election would be decided by only those who want the Union. If you have any doubts about bringing the Union back, you should vote NO for NO UNION.

The election is August 2 between 1:00 and 3:00 p.m. in the gym. Please make sure that you vote.

VOTE NO FOR NO UNION DUES

VOTE NO FOR NO UNION STRIKES

VOTE NO FOR NO UNION

A LOT TO LOSE

The Union simplified:

Become union → make demands → try to negotiate → we reject demands → strike → we permanently replace you

Employers ultimately decide the terms of the contract, not the Union

In our conversations with staff about the upcoming union election, it has become clear that many teachers are under the impression that they have nothing to lose by joining a union. Obviously, if employees had nothing to lose by bringing in unions, everyone would want to join a union. But only 7% of the country's private sector workers are unionized! Why don't the other 93% want a union? Perhaps they understand what they could lose:

1. **Union Dues**: Union dues range from \$23.50 to \$41.20 per month. When you have a union contract, you have to pay dues regardless of what the contract says even if there is no improvement in your wages and benefits. In fact, you would have to pay dues even if you end up with a package that is less than what you already have.

2. **Existing Benefits**: The Union can make all the promises it wants. But that does not mean they will become reality. There is no guarantee that in a union contract that you will end up with a better package. There is no guarantee that you will keep everything you have now. It is possible as a result of negotiations you could wind up losing benefits that you already have. We have voluntarily provided you with a benefit package that exceeds what our competitors offer without you having to pay union dues.

Employers ultimately decide the terms of the contract, not the Union.

3. **Union Strikes**: Right now you have the ability to work without having to worry about having to go out on strike. Preschool of America is not a government agency. We are a private company. This is not like the Department of Education. We can't raise taxes if we do not have enough revenue to meet our expenses.



We cannot and will not agree to unreasonable wage and benefit demands that would put us in a noncompetitive position. If the Union was to win the election and we could not come to an agreement, the Union's only weapon would be to call a strike.

- During a strike, you will not be paid.
- During a strike, you will not collect unemployment unless the strike lasted more than six weeks. Have you thought about how you would support yourself or your family without any money for 6 weeks?
- Finally, if there were a strike, we have the right to permanently replace you.

That would mean that you might not have a job when the strike was over. We would not want a strike, but we would prefer that to agreeing to unreasonable union demands. And we would be in a position to hire permanent replacements. Every day we get unsolicited resumes from people who are *anxious* to work for us and who have excellent credentials.

Employers ultimately decide the terms of the contract, not the Union.

So you see, there can be serious consequences for everyone on staff as a result of unionization. These potential consequences will affect everyone here. Even if you signed a card for the Union, you have no obligation or duty to join. You have the right to decide for yourself after learning all the facts what is best for you and your family.

This is a secret ballot election conducted by the federal government. No one will ever know how you voted.

You can still protect yourself from the risk of the serious consequences by voting NO for NO UNION. That is the only way you can be sure that you won't have to pay union dues, possibly lose existing benefits in negotiations, or risk your job security by going out on strike and being permanently replaced.

Vote NO for NO UNION

7/30/10

Initial Union Member Starting Fees: more than \$1,340

First payment \$200,

First strike fee \$100

Second strike fee \$1,040

Total \$1,340

Plus union due \$40 (monthly)



Union VS Non Union

<u>Salary</u>	Increase 2% of salary with a four-year wage freeze (ACS current union contract)	POA increase 2% of salary, guaranteed every year especially in the economic depression (Existing)
<u>Beginning Salary</u>	11 % less than original rate (ACS current union contract)	Higher than other child care centers based on staff qualifications
<u>Improved Credentials</u>	With a strict 5 years contract, union member cannot improve status with education. No raise, no promotion when teacher is working on their credits/license. Teacher can only can be the teacher, and the assistant can only can be the assistant	Professional growth: We promote staff based on the completion of qualifications. The assistant can be promoted to a teacher; the teacher can be promoted to director. More qualifications = higher position with more pay
<u>Qualifications</u>	Very strict qualification requirements with credentials and licenses (review ACS teacher/assistant requirement with the union contract)	* Flexible schedule to support student teaching and schooling *Free college credits *Staff development *More Ed. credits = more pay
<u>Health Plan</u>	The labor law only requires a private company employer to pay \$100 for share co-payment.	We are currently contributing \$300 monthly for each employee who requires the health benefits (Existing)
<u>Retirement Plan</u>	Not required for a private Co.	We offer 401K plan with 3% match
<u>Vacation</u>	8 Federal Holidays, not required more days off for a private Co.	11 holidays, 12 sick/personal days and 2 weeks' vacation. Same as ACS
<u>Rules</u>	Many restrictions with schedule and other policies	More flexibility in the private company (Existing)
<u>Employee Child Care</u>	No other unionized day care provides employee child care	Yes (Existing)
<u>Relationships & Social effects</u>	Hostile, disruption (court battles, strike, replacement)	Big family oriented, friendship, and harmony
<u>Union Dues</u>	\$500 per yr = -2% of your salary.	None
<u>Use of Dues</u>	*Increase union officials salary *Union salesperson commissions *Political activities and lobbying *Restaurant and hotels, gifts etc.	N/A
<u>Performance</u>	More unionized day care closing, more day care workers layoffs	POA is expanding, more job opportunities
<u>Management</u>	With union bureaucracy and policy, 16 unionized day care centers were closed in 2009	Efficient, direct and improving
<u>Trend</u>	Union is declining nationwide , only 7% companies are unionized, they are all government agencies	More employee involvement, more improvement

DC 1707 is not UFT (United Federation of Teachers), POA is a private company, all benefits are only from the employer, not union. Compare to the unionized day care centers or the private companies, we have offered a lot.

Vote for NO UNION!!!!



EMPLOYEE QUESTIONS ABOUT
UNION.

1) If teacher's win the election are they automatically considered a union?

If the Union wins, they are considered the Union and we will have to sit down for negotiations. Unless the Union commits some type of unfair labor practice at the election (electioneering at the polls, which is highly unlikely), which then would cause us to file unfair labor practice charges, we would have to negotiate with them.

2) How much later do the negotiations take place?

The first negotiation session would most likely take place within a month or so.

3) How long can negotiations take place?

Negotiations can take an extremely long time. We are not required to agree with anything they propose, but must negotiate "in good faith" Sometimes negotiations can take more than a year and sometimes do not result in a contract.

4) Are the teachers a union or is Preschool of America a union?

The Union is District 1707. It means that the teacher assistants would have the Union represent them in contract negotiations.

5) If teachers are unionized how long is the contract?

The contract term can be for as long or short as both sides agree. Most Union contracts are for 3 years(but only if both parties agree to that term).

6) If teachers have a contract for a time period and they want to quit before that time can they?

The people can quit now even without a Union. If your present contract calls for a penalty, fine etc, it may be enforceable. If we want to have the teacher assistant be penalized for quitting before the end of the school year, we can propose that to the Union. The Company is allowed and certainly should make proposals if the Union wins.

7) If teachers quit can they work at another company that is not unionized? Do they still have to pay union fees even if they work at a new company if they are still under contract?

If they quit, they can work at another non-Union company.

They will not have to pay union dues if they are no longer employed by Preschool of America.



8) What happens if teachers do not to pay their union dues?

Unions do not allow employees to continue to work for a company without paying union dues. Most union contracts say that if they don't pay Union dues, they will have to be fired.

9) Can they opt out of the union mid contract? If not how do they opt out after the contract is over?

No one can opt out of the contract before the Union contract expires.

10) What if all of the unionized teachers decide to leave the school. will the school still be unionized?

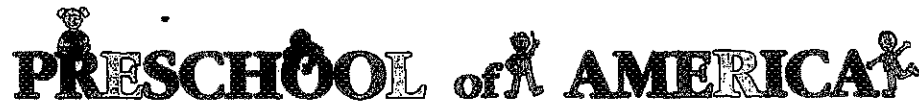
If all the assistants leave at the same time, Preschool would still be Unionized if it is during the contract or during the first year of contract negotiations.

11) What if the school is unionized and we need to hire new assistants. Must those assistant become part of the union? If they must become part of the union and the contract is half up do they only need to live out the rest of the existing contract?

If there is a Union, all new workers will be required to join the Union. All workers who are in the Union will have to live up to the contract until it expires. The Company would have to live up to the contract until expiration as well.

12) If teachers strike and we decide to permanently replace them. What are the repercussions for Preschool of America?

If there is a Union, all new workers will be required to join the Union. All workers who are in the Union will have to live up to the contract until it expires. The Company would have to live up to the contract until expiration as well.



August 3, 2010

Annual Evaluations

We will be conducting teacher and teacher assistant annual evaluations. Everyone is evaluated base on performance, attendance and general conduct. Please be aware that your attendance is critical in our center. Absences, lateness's, and partial day attendance is a significant factor and will contribute to your overall rating.

Thank You,

Robin Mauro





The children's safety is our # 1 priority. Regular and dependable staff attendance is mandatory.

- More than 1 absence per month will be grounds for immediate termination.
- More than 2 lateness (of more than 5 minutes), per month will be grounds for immediate termination. (Your agreement requires you to be here 5 minutes prior)
- No cell phones used in classroom. Using a cell phone in the classroom will be grounds for immediate termination. (All parents should communicate with the school through the office only).
- Head Teacher must have cell phones with them at the park or on walks.

Very truly yours,

Joanna Fan
Chief Executive Director



Sunday, August 22, 2010 33

ough

8 at day care gain a union, then lose jobs

W

When the President of America announced that he would sign a law that would give day-care workers the right to join a union, many people were surprised. They thought that day-care workers would not be able to join a union because they are not considered as employees. But now, they are. The law says that day-care workers who work for a company that has more than 15 employees can join a union. This is a big change because day-care workers have not been able to join a union before. They have been treated as independent contractors, which means they cannot join a union. Now, they can. This is good news for day-care workers because they will be able to negotiate for better wages and benefits. They will also be able to have a say in how they work. This is a big step forward for day-care workers. They have been fighting for this for a long time. Now, they have won. This is a big victory for day-care workers. They will be able to join a union and fight for better wages and benefits. They will also be able to have a say in how they work. This is a big step forward for day-care workers. They have been fighting for this for a long time. Now, they have won. This is a big victory for day-care workers.

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CNL



PRESCHOOL of AMERICA

Friday, September 3, 2010

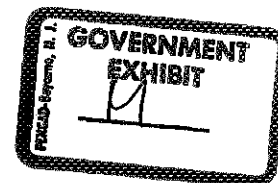
Dear Valued Preschool of America Staff,

I would like to take this opportunity to explain any confusion or discontent you have experienced recently. I am disappointed in observing a great deal of speculation and frustration amongst our valued employees over the series of events which have recently unfolded at school. Since POA's staff are important to the success of Preschool of America, I want to make sure that you remain happy, comfortable and positive during your association with us.

I think I had explained before, as a result of the deteriorating economy, it appears that parents are in need of expanded day care services because they often work longer hours and on more days. In order to accommodate these additional needs, I have eliminated the winter and spring breaks on the new 2010-2011 school calendar. I have also added an extra hour to the length of our business hours in order to meet family's needs and schedules. I have done this without increasing tuition costs. Parents appear to be very happy about this change. Thus, maintaining student enrollment will ensure teacher employment.

For people hired prior to 2010, our decision for the school to remain open during the winter and spring breaks will not require you to work any additional days or result in a decrease in benefits. To the contrary, you will be entitled to receive the same number of benefit days, generally on dates that our teachers choose, subject only to ensuring that the school remains fully staffed when open. This policy has been embraced by a majority of our centers with the exception of the West End school and Lexington, which have recently become involved with DC1707 (the Union). Unfortunately, it appears that some staff members were and/or are under the mistaken impression that given representation by a union, they would somehow be able to re-install the winter and spring breaks and/or to additional benefits. Such a notion is false, misleading and simply not true.

As a successful day care center executive, I understand the importance of employee benefits. We remain confident and proud that our benefits package is both favorable and superior to other similarly situated preschool centers as it includes medical insurance, a 401K plan, free college for teachers registering for early childhood courses, discounted staff daycare costs for employee's children and up to 34 paid benefit days to staff members who have completed at least two years employment at POA and a minimum 2% yearly salary increase. Because of our excellent benefits, many valued employees have chosen to remain with us over long periods of time. Disgruntled staff from other day care centers routinely apply for positions with POA.



on POA's well intended desire to maintain its high standards for their own purposes of expanding, and recruiting and increasing union membership.

No matter what has happened at the West End school and the Lexington school, I appreciate that I still have you as POA's dedicated employees and I like the open communication and look forward to personally addressing your needs in the future. I am confident that under new leadership, our schools will flourish and thrive. As preschool of America continues to grow, POA remains committed to continuing its personal, family style working environment and hope that you will want to continue to grow professionally with us.

Truly yours,

Joanna Fan

Chief Executive Director



1501 Lexington Avenue New York, New York 10029 Tel 212.987.3700 Fax 212.987.3344

Dear Valued Parents of Preschool of America Lexington,

I would like to take this opportunity to apologize for any confusion or discontent you have experienced recently. There has been a lot of speculation and frustration about the series of events that have been unfolding at school at this time and I would like to take this opportunity to explain as much as possible.

As you are probably already aware, we have eliminated the winter and spring breaks on the new 2010-2011 school calendar. We have also added an extra hour to the length of our business hours in order to meet your family's needs and schedules. We have done this without increasing tuition costs. The feedback that we have received from parents is very positive. Although we have eliminated two pre-established vacation times during the school year, we did not eliminate the much-needed vacation times for our teaching staff.

As a successful day care center, we understand the importance of employee benefits. We provide medical insurance, a 401K plan, free college for teachers registering for early childhood courses, discounted staff daycare costs for their children, paid benefit days. Staff members who have made a commitment to work for the company are rewarded for the work that they do at Preschool of America. They are able to receive up to 34 paid benefit days, including 12 holidays, 12 personal/sick days, and two weeks (10 days) of vacation.

In the past when school was closed for winter and spring breaks, all staff members had to take these two weeks of vacation every year. By changing the school calendar to remain open those two weeks, we award the same number of benefit days at times that the teachers are free to choose. This policy has been embraced by a majority of our centers, however the Lexington center is one of two centers that have chosen to take this matter up with DC1707 (the Union). Some staff members were under the impression that with representation of a union, they could demand that winter and spring breaks be reinstated or get more benefits. Thus the petition was filed and a union election will be held in the beginning of September.

On August 22, our employee Ms. Dianna DeLeon made a false statement to Daily News that she had a Bachelor degree making \$10 per hour as a teacher. The truth is that she does not have BA degree and she was hired as an assistant. Our teachers are offered \$28,000-\$45,000 based on their degrees, certification, and experience. She also stated that people were being threatened to be fired if they joined the union, which is obviously as far from the truth as possible. She has misled the media and public on her position, degree and our teacher's salary which caused huge damage to this school. Yesterday.



August 23rd, three men from DC1707 (the Union) were standing outside of our Lexington center handing out an article written in the Daily News with Ms. DeLeon's false statement. I sincerely apologize for the inconvenience and misinformation that has resulted from these incidents, but I am confident that under new leadership, the school will flourish and thrive- and new teachers and assistant teachers will bring a highly professional aspect to our current staff.

As always, we are dedicated to open communication and we look forward to addressing your needs now and in the future. I hope this letter provides a better understanding of the issues we are facing and our sincerest desire to please the most important members of our community: children, families, and staff members.

Warmest Regards,

Joanna Fan
Chief Executive Director